

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT

May 2, 2006

Karen Palmer Diamond K Gypsum 1720 South Red Hills Drive Richfield, Utah 84701-7003

Subject: Notice to Commence Large Mining Operations and Approval of

Reclamation Surety, Diamond K Gypsum, DKG Quarry, M0150041,

Task ID# 1381, Emery County, Utah

Dear Mrs. Palmer:

On April 24, 2006, the Division received the signed addendum to the reclamation contract for the referenced mine site. Diamond K now has the Division's approval to begin mining operations in the new areas outlined in Area D1 as shown on the map submitted in January 2006. A copy of the executed addendum to the reclamation contract is attached. The Bureau of Land Management approved this expansion on April 10, 2006.

If you have questions or concerns regarding this letter, please contact me at (801) 538-5258 or Paul Baker at 538-5261. Best wishes with your venture.

Sincerely,

Susan M. White

Mine Program Coordinator Minerals Regulatory Program

Juran M. White

SMW:PBB:pb

Enclosure: Copy of addendum

: Rebecca Doolittle, Price BLM

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